



# DatelineERS

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Economic Research Service

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ERS is the main source of research and analysis from the U.S. Department of Agriculture, providing timely information on economic and policy issues related to agriculture, food, the environment, and rural America.

## Coming Soon to the Web

### *Farm Sector and Household Income Forecast for 2005*

The Farm Sector and Household Income Forecast for 2005 will be posted on our website on Thursday, November 3, in the farm income and costs briefing room:

[www.ers.usda.gov/briefing/farmincome](http://www.ers.usda.gov/briefing/farmincome)

## Commodity Markets and Trade

ERS Outlook reports provide timely analysis of major commodity markets and trade, including special reports on hot topics. All reports, along with a calendar of future releases, are available at: [www.ers.usda.gov/publications/outlook](http://www.ers.usda.gov/publications/outlook)

## Household Food Security Decreased in 2004

[www.ers.usda.gov/publications/err11](http://www.ers.usda.gov/publications/err11)

Eighty-eight percent of American households were food secure throughout the entire year in 2004, meaning that they had access, at all times, to enough food for an active, healthy life for all household members. The remaining households were food insecure at least some time during that year. The prevalence of food insecurity rose from 11.2 percent of households in 2003 to 11.9 percent in 2004 and the prevalence of food insecurity with hunger rose from 3.5 percent to 3.9 percent. *Household Food Security in the United States, 2004*, provides the most recent statistics on the food security of U.S. households, as well as on how much they spent for food and the extent to which food-insecure households participated in Federal and community food assistance programs.



## Expenditures Increased for Food Assistance Programs

[www.ers.usda.gov/publications/eib6-1](http://www.ers.usda.gov/publications/eib6-1)

USDA expenditures for its 15 food assistance programs totaled \$25.9 billion during the first half of fiscal 2005 (October 2004-March 2005), an 11-percent increase over the first half of fiscal 2004. Five programs—the Food Stamp Program, the National School Lunch Program, the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), the School Breakfast Program, and the Child and Adult Care Food Program—accounted for 95 percent of USDA's total expenditures for food assistance. Spending on each of these five programs grew during the first half of fiscal 2005 relative to the first half of fiscal year 2004, but most of the increase was due to the Food Stamp Program. *Food Assistance Landscape, September 2005* uses preliminary data from USDA's Food and Nutrition Service to examine trends in the programs at the midpoint of fiscal 2005.

## Assessment of Water and Air Quality Policies in Animal Feeding Operations

[www.ers.usda.gov/publications/ERR9](http://www.ers.usda.gov/publications/ERR9)

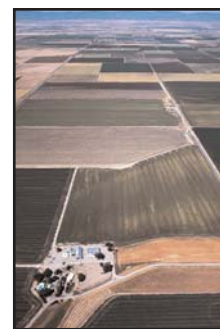
Animal waste from confined animal feeding operations is a potential source of air and water quality degradation. Pollution from animal waste poses challenges to farmers and to resource managers, because it can affect multiple resources while environmental laws typically focus only on a single resource. *Managing Manure to Improve Air and Water Quality* assesses the economic and environmental tradeoffs between water quality policies and air quality policies that could require the animal sector to take potentially costly measures to abate pollution, based on a farm-level analysis of hog farms, a national analysis including all sectors, and a regional assessment in an area with high animal numbers.



## Base Acres and Farmland Owners' Response to Economic Incentives

[www.ers.usda.gov/publications/ERR12](http://www.ers.usda.gov/publications/ERR12)

The 2002 Farm Act provided farmland owners the opportunity to update commodity program base acres and payment yields used for calculating selected program benefits. Findings in *Economic Analysis of Base Acre and Payment Yield Designations Under the 2002 U.S. Farm Act* suggest that farmland owners responded to economic incentives in these decisions, selecting those options for designating base acres that resulted in the greatest expected flow of program payments. Farmland owners with high-payment base acres, such as rice and cotton, held on to these base acres and, whenever possible, expanded them. Analogously, farmland owners with low-payment commodity base acres, such as oats and barley, switched to higher payment commodities whenever possible.



### Peanut Backgrounder

*(First of a series of background reports on key U.S. commodities.)*

[www.ers.usda.gov/Publications/OCS/Oct05/OCS05I01](http://www.ers.usda.gov/Publications/OCS/Oct05/OCS05I01)

Like producers of other agricultural commodities, U.S. peanut growers in recent years have confronted pressures from market forces and the impacts of policy developments, both domestic and international. Most notably, peanut policy was transformed in 2002 by the elimination of a decades-old marketing quota system. This policy step represented a fundamental change that was accompanied by substantial adjustments in the peanut sector. While demand growth has since been robust, greater supplies and lower prices are raising government expenditures on the peanut program. Federal budget pressures and the implications of trade agreements are important current issues.

### U.S. Tobacco Import Update, 2003/04

[www.ers.usda.gov/Publications/TBS/Sep05/tbs25901](http://www.ers.usda.gov/Publications/TBS/Sep05/tbs25901)

U.S. tobacco product manufacturers use foreign-produced leaf in items such as cigarettes, cigars, chewing tobacco, and pipe tobacco. Imports peaked in the mid-1990s, but remain at historically high levels. The popularity of generic cigarettes—which use cheaper imported leaf—and increases in domestic leaf prices were the chief reasons for heightened dependence on tobacco imports. Disappearance (use) of foreign-grown tobacco followed a similar upward trend. As tobacco exports and domestic sales of generic cigarettes advanced, imported leaf use rose.

### Factors Affecting U.S. Beef Consumption

[www.ers.usda.gov/Publications/ldp/Oct05/ldpm13502](http://www.ers.usda.gov/Publications/ldp/Oct05/ldpm13502)

Beef is the second most consumed meat behind chicken in the United States, averaging 67 pounds per person per year. Findings based on the 1994-96 and 1998 Continuing Survey of Food Intakes by Individuals (CSFII) indicate that most beef was eaten at home. Annual beef consumption per person was highest in the Midwest (73 pounds), followed by the South and West (65 pounds each), and the Northeast (63 pounds). Rural consumers ate more beef (75 pounds) than did urban and suburban consumers (66 and 63 pounds). Beef consumption also varies by race and ethnicity.

### Resolution of the U.S.- Japan Apple Dispute: New Opportunities for Trade

[www.ers.usda.gov/Publications/FTS/Oct05/fts31801](http://www.ers.usda.gov/Publications/FTS/Oct05/fts31801)

With the elimination of the restrictive fire-blight protocol, U.S. producers have a new opportunity to export apples to a high-quality export market, at a significantly lower cost than before. This analysis estimates that over the long run, Japanese apple imports will increase by an average of \$144 million per year but that substantial variation from the average import estimate would be likely because of fluctuating market conditions from season to season.

#### How to get more information . . .

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